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Mayor

Appropriations Committee

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Testimony

Senator Osten, Representative Walker, Senator Miner, Representative France and honorable members of the Appropriations Committee, thank you for the opportunity to testify on:

SB 398 – An Act Concerning Accountability For The Expenditure of Funds Received By the State

HB 5435 – An Act Establishing a Task Force on Substance Use Disorder Services and The Expenditure of Opioid Litigation Settlement Funds

HB 5436 – An Act Concerning Legislative Oversight and Approval for The Expenditure of Opioid Litigation Settlement Funds

Three bills now before you, SB 398, HB 5435, and HB 5436 all touch upon the allocation and expenditure of Opioid Litigation Settlement Funds. The toll of the opioid crisis on cities and towns across the country, including my own city of Hartford, has been immense. While the settlement cannot repair the damage inflicted on communities through the reckless behaviors of opioid manufacturers and distributors, this settlement will bring much needed resources to strengthen our collective response to the ongoing opioid epidemic.

HB 5435 establishes a task force to review substance use disorder programs and services available in the state and to make recommendations concerning the expenditure of opioid litigation settlement funds. HB 5436 requires the Secretary of the Office of Policy and Management (OPM) to submit recommended allocations of opioid litigation settlement funds within ten days of the passage of the bill to the Public Health and Appropriations committees for approval or modification of said recommendations. SB 398 establishes a task force to study the use of opioid litigation settlement funds to address addiction and overdoses in impacted communities.

I appreciate the intent of these bills to provide greater transparency for the expenditure of settlement funds. However, it is vital that there be strong municipal representation and input in all of these studies and planning proposals. Initiatives to reduce opioid overdoses are often coordinated at the local level, and the costs and consequences of the opioid epidemic are felt most directly at the local level. As such, it is appropriate and crucial for municipal leaders to play a central role in developing a strategy for the allocation of settlement funds.

Furthermore, it cannot be emphasized enough that municipalities' support and affirmative participation was essential in effectuating this settlement. The Connecticut Conference of

Municipalities' Opioid Settlement Committee played a pivotal role in ensuring that all 169 Connecticut municipalities sign onto this settlement. Under the Settlement Agreement, municipalities were required to affirmatively opt-in to participate and the overall participation rate was directly tied to the dollars awarded to the state as a whole. The consequence of non-participation by even a small number of municipalities would have been significant. To illustrate, if only 75 percent of towns and cities had agreed to participate in the Settlement, Connecticut would have only received 60 percent of the funds it now will.

For the aforementioned reasons, I respectfully request that any legislation seeking to determine appropriate expenditure of Opioid Litigation Settlement Funds include municipal leadership and representation.

Finally, SB 398 would require municipalities to submit a written request to OPM for approval of expenditure of any federal COVID-19 relief funds of more than \$100,000. Such a requirement would directly contradict both the spirit and written language of the American Rescue Plan Act of 2021, which was written by Congress with the specific intent of granting COVID-19 relief funding directly to municipal governments nationwide. Our communities need help with COVID recovery, not an excess of red tape or state-centralized control over municipal spending decisions already made or in-progress.

Recipients of federal COVID recovery funds, including all municipalities, are already required to comply with extensive reporting requirements to the U.S. Department of the Treasury. Moreover, all municipalities are also required to submit a report to OPM on expenditures of coronavirus relief funds. An independent audit firm has been engaged by OPM to review municipal records and verify that all expenditures are eligible uses of COVID relief funds.

Thank you for the opportunity to provide testimony and for your attention to these important matters. I am happy to answer any questions you may have.